Appendix E: TIFIA Questions

Implementation Process

Which office within DOT is responsible for implementing TIFIA?

Will a formal Federal rulemaking process be required for TIFIA?

When will application guidelines be available?

What is the earliest date that funding realistically could be made available?

Project Eligibility

What kinds of surface transportation projects are eligible under TIFIA?

Must the assets being financed be publicly-owned in order to be eligible?

Are refinancings of existing projects allowed?

Credit under TIFIA may cover up to 33 percent of eligible project costs. Can eligible costs include: A) The cost of an expansion to an existing facility plus the cost of the original facility? B) "Soft costs" such as capitalized interest, debt service reserve funds, and issuance expenses?

What kinds of “dedicated revenue sources” are acceptable?

What Federal requirements must the project comply with?

Could the non-TIFIA share of project costs be funded from Federal or other grant assistance? Must there be private capital involved?

There is a lower $30 million cost threshold for Intelligent Transportation Systems (ITS) projects. Would this threshold apply to just the ITS components of a project, or to an entire project that incorporates some ITS elements?

Could a project seeking assistance under TIFIA also obtain credit under FRA's rail credit (RRIF) program?

Project Selection

How do you weight the eight selection criteria set forth in TIFIA? When does DOT plan to publish this prioritization?

Will projects be approved on a rolling basis throughout the year, or will all applications be due on a fixed date each year?

What sorts of financial and other information about the project will DOT want included in the application of the borrower?

What is the process for obtaining a "preliminary rating opinion letter," and by what point must an applicant have the letter in hand?

What do you anticipate will be the length of time from application submission to funding approval?

Structural Features

May the Federal credit instrument be junior to other debt issued by the project? How does that tally with the reference in the legislation that Federal credit "shall not be subordinated to the claims of any holder of [other] project obligations in the event of bankruptcy, insolvency or liquidation of the obligor"?

Must the Federal loan be structured on a level debt service basis? How about repayments of draws under a Federal line of credit?

May a line of credit be used in connection with tax-exempt bonds? How about a direct Federal loan or Federal loan guarantee?

Will DOT charge application or other fees to the borrowers?

Funding Mechanics

Does the program's budget (contract) authority carry over, or does it lapse at the end of each year? How about the authorized credit amounts?

How much of the funding will be committed in any one year?

What factors determine the budgetary subsidy cost (capital reserve charge) of a TIFIA credit instrument?

For a given project, is there any difference in the subsidy cost (budgetary impact) of a direct Federal loan vs. a Federal loan guarantee vs. a standby line of credit?

Can a project "reserve" budgetary capacity in a year prior to its need to obligate funds? Once funds are obligated, how quickly must they be drawn down?

What was the effect of the technical corrections bill?

Given the budget authority and credit limits authorized, how many projects do you expect to support each year?

May a borrower pay some or all of the Government's subsidy cost in order to obtain a larger TIFIA credit instrument?